



Michael L. Parson  
Governor  
State of Missouri

Sarah Ledgerwood, Interim Division Director  
DIVISION OF PROFESSIONAL REGISTRATION

Missouri Department of  
Commerce & Insurance  
Chlora Lindley-Myers, Director

**MISSOURI REAL ESTATE COMMISSION**

3605 Missouri Boulevard P.O. Box 1339  
Jefferson City, MO 65102-1339  
573-751-2628  
573-751-2777 FAX  
800-735-2966 TTY Relay Missouri  
800-735-2466 Voice Relay Missouri

Terry W. Moore  
Executive Director  
E-mail: realestate@pr.mo.gov  
Website: pr.mo.gov/realestate

November 23, 2020

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED  
No. 9414 7266 9904 2102 6008 55

Tracey Ann Herigon  
Tracey Herigon Real Estate LLC  
2600 Forum Blvd Ste C  
Columbia MO 65203

RE: Missouri Real Estate Commission vs. Tracey Ann Herigon (#2002011978)  
Tracey Herigon Real Estate LLC (#2007020851)

Dear Ms. Herigon:

Please find enclosed a copy of the Settlement Agreement between Missouri Real Estate Commission and Tracey Ann Herigon and Tracey Herigon Real Estate LLC in the above referenced case.

If you have questions about this matter, please feel free to contact our office.

Sincerely,

Terry W. Moore  
Executive Director

TWM/cmc

Enclosure

c: Tracey Ann Herigon (#2002011978) / Tracey Herigon Real Estate LLC  
(USPS # 9114 99994423 8854 5585 39)

RECEIVED

NOV 06 2020

MREC

**SETTLEMENT AGREEMENT BETWEEN**  
**MISSOURI REAL ESTATE COMMISSION AND TRACEY HERIGON REAL ESTATE, LLC**  
**AND TRACEY ANN HERIGON**

Come now Tracey Herigon Real Estate, LLC, and Tracey Ann Herigon (together "Licensees") and the Missouri Real Estate Commission ("Commission") and enter into this settlement agreement for the purpose of resolving the question of whether Licensees' license as a real estate association, and broker associate will be subject to discipline.

Pursuant to the terms of § 536.060, RSMo,<sup>1</sup> the parties hereto waive the right to a hearing by the Administrative Hearing Commission of the State of Missouri ("AHC") regarding cause to discipline the Licensees' licenses, and, additionally, the right to a disciplinary hearing before the Commission under § 621.110, RSMo.

Licensees acknowledge that they understand the various rights and privileges afforded them by law, including the right to a hearing of the charges against them; the right to appear and be represented by legal counsel; the right to have all charges against them proven upon the record by competent and substantial evidence; the right to cross-examine any witnesses appearing at the hearing against them; the right to present evidence on their own behalf at the hearing; the right to a decision upon the record by a fair and impartial administrative hearing commissioner concerning the charges pending against them and, subsequently, the right to a disciplinary hearing before the Commission at which time they may present evidence in mitigation of discipline; and the right to recover attorney's fees incurred in defending this action against their licenses. Being aware of these rights provided them by operation of law, Licensees knowingly and voluntarily waive each and every one of these rights and freely enter into this settlement agreement and agree to abide by the terms of this document, as they pertain to them.

Licensees acknowledge that they have received a copy of the documents relied upon by the Commission in determining there was cause to discipline their licenses, along with citations to law and/or regulations the Commission believes were violated.

For the purpose of settling this dispute, Licensees stipulate that the factual allegations contained in this settlement agreement are true and stipulate with the Commission that their licenses, real estate association

---

<sup>1</sup> All statutory references are to Missouri Revised Statutes 2000, as amended, unless otherwise indicated.

license, number 2007020851 (Tracey Herigon Real Estate, LLC), and broker associate license number 2002011978 (Tracey Ann Herigon), are subject to disciplinary action by the Commission in accordance with the provisions of Chapter 621 and §§ 339.010-339.205 and 339.710-339.855, RSMo.

Joint Stipulation of Fact and Conclusions of Law

1. The Commission is an agency of the state of Missouri created and established pursuant to § 339.120, RSMo, for the purpose of licensing in the practice of real estate in the state of Missouri. The Commission has control and supervision of licensure and enforcement of the terms and provisions of Sections 339.010-339.205 and 339.710-339.855, RSMo.

2. Licensee, Tracey Ann Herigon, holds a real estate broker associate license, number 2002011978. The Commission issued the broker associate license on May 24, 2002, and, the license is active and has an expiration date of June 30, 2022.

3. Licensee Tracey Ann Herigon holds a real estate association license issued by the Commission, as Tracey Herigon Real Estate LLC, license number 2007020851. The Commission issued Tracey Ann Herigon's license on July 12, 2007. The aforementioned license is active and has an expiration date of June 30, 2022. Licensee Tracey Ann Herigon is the designated broker for Tracey Herigon Real Estate, LLC.

4. On October 30, 2019, the Commission conducted a re-audit of the licenses held by Licensees. The Commission's audit revealed numerous violations of Chapter 339 and regulations promulgated thereunder.

5. There was an identified shortage of \$3,800.00 in the property management account held at Landmark Bank, account number 2100058631, due to security deposits from the Watts/White lease and the Hasselriis/Thurber lease not being held in an escrow account, a violation of section 339.105.1, RSMo.

6. There were eight instances of the commingling in the property management escrow account, Landmark Bank, account number 2100058631, all violations of section 339.105.1(3), RSMo.:

- a. In two instances, the broker transferred funds to/from her and her husband's accounts;
- b. In two instances, the broker's daughter used a debit card for property management escrow account in error;
- c. In four instances, rents were deposited into the broker's operating account.

7. In at least two instances, there were temporary overages in the property management escrow account at the Landmark Bank, account number 2100058631, due to management fees not being removed monthly, a violation of section 339.105.1, RSMo.

8. On two instances, security deposits were not held in an escrow account, both violations of section 339.105.1, RSMo, and 20 CSR 2250-8.220(2).

9. On two instances, the security deposits for the Watts/White lease and the Hasselriis/Thurber lease were not held in an escrow account, a violation of section 339.105.1, RSMo.

10. On one instance, the Hasselriis management agreement did not include a completed compensation statement, a violation of section 339.780.2, RSMo., and 20 CSR 2250-8.220 (2).

11. On two instances, regarding the management agreements with Watts and Hasselriis, the time when the fees or commissions would be paid was not stated, both instances violations of section 339.780.2, RSMo., and 20 CSR 2250-8.090(9)(G).

12. On one instance, all the terms and conditions under which the property could be sold were not contained in the Hasselriis listing agreement, a violation of 20 CSR 2250-8.090(4)(A)14.

13. On two instances, involving the Hasselriis and Watts management agreements, there was no provision to provide for the termination of the agreement by the broker and owner (the timeframe for termination was not completed), both violations of 20 CSR 2250-8.090(9)(E).

14. On one instance, in the Hein/Elliston Closed Transaction, the broker failed to retain a copy of the buyers' closing statement, a violation of 20 CSR 2250-8.150(3) and 20 CSR 2250-8.160(1).

15. On at least two instances, management fees were not removed monthly, as reflected in bank statements dated October 31, 2018 through May 31, 2019 (Landmark Bank Account number 2100058631), a violation of 20 CSR 2250-8.220(6).

16. Section 339.105, RSMo, states, in relevant part:

1. Each broker who holds funds belonging to another shall maintain such funds in a separate bank account in a financial institution which shall be designated an escrow or trust account. This requirement includes funds in which he or she may have some future interest or claim. Such funds shall be deposited promptly unless all parties having an interest in the funds have agreed otherwise in writing. No broker shall commingle his or her personal funds or other funds in this account with the exception that a broker may deposit and keep a sum not to exceed one thousand dollars in the account from his or her personal funds,

which sum shall be specifically identified and deposited to cover charges related to the account.

17. Section 339.780, states in relevant part:

...

2. Before engaging in any of the activities enumerated in section 339.010, a designated broker intending to establish a limited agency relationship with a seller or landlord shall enter into a written agency agreement with the party to be represented. The agreement shall include a licensee's duties and responsibilities specified in section 339.730 and the terms of compensation and shall specify whether an offer of subagency may be made to any other designated broker.

18. Regulation 20 CSR 2250-8.090 states, in relevant part:

...

(4) Seller's/Lessor's Agency (Sale/Lease Listing) Agreement.

(A) Every written listing agreement or other written agreement for brokerage services shall contain all of the following:

...

14. All other terms and conditions under which the property is to be sold, leased, or exchanged.

...

(9) Every written property management agreement or other written Authorization between a broker and the owners of the real estate shall:

...

(E) Provide the terms and conditions for termination of the property management agreement by the broker or the owner of the property;

...

(G) Contain a statement which permits or prohibits the designated broker from offering subagency (not applicable for transaction broker agreements);

19. Regulation 20 CSR 2250-8.150 states, in relevant part:

(3) The brokers for the buyer and the seller shall retain legible copies of both buyer's and seller's signed closing statements.

20. Regulation 20 CSR 2250-8.160 states, in relevant part:

(1) Every broker shall retain for a period of at least three (3) years true copies of all business books; accounts, including voided checks; records; contracts; brokerage relationship agreements; closing statements and correspondence relating to each real estate transaction that the broker has handled. The records shall be made available for inspection by the commission and its authorized agents at all times during usual business hours at the broker's regular place of business. No broker shall charge a separate fee relating to Retention of records.

21. Regulation 20 CSR 2250-8.220 states, in relevant part:

...

(2) All security deposits held by a broker shall be maintained, intact, in an escrow account other than the property management account(s), pursuant to section 339.105, RSMo, unless the owner(s) have agreed otherwise in writing.

(6) Fees or commissions payable to a broker must be withdrawn from a property management escrow account at least once a month unless otherwise agreed in writing. Any rent paid in advance as a deposit for the last month's rent or as rent other than the current month's rent held by a broker shall be deposited in the property management escrow account unless otherwise agreed to in writing.

22. Licensees' conduct, as described in paragraphs 4 through 15 above, constitutes cause to discipline Licensees' licenses.

23. Cause exists for the Commission to take disciplinary action against Licensees' licenses under § 339.100.2(15), (16) and (19), RSMo, which states in pertinent part:

2. The Commission may cause a complaint to be filed with the administrative hearing commission as provided by chapter 621, RSMo, against any person or entity licensed under this chapter or any licensee who has failed to renew or has surrendered his or her individual or entity or license for any one or any combination of the following acts:

...

(15) Violation of, or attempting to violate, directly or indirectly, or assisting or enabling any person to violate, any provision of sections 339.010 to 339.180 and sections 339.710 to 339.860\*, or any lawful rule adopted pursuant to sections 339.010 to 339.180 and sections 339.710 to 339.860\*;

...

(16) Committing any act which would otherwise be grounds for the commission to refuse to issue a license under section 339.040;

...

(19) Any other conduct which constitutes untrustworthy, improper or fraudulent business dealings, demonstrates bad faith or incompetence, misconduct, or gross negligence[.]

Joint Agreed Disciplinary Order

24. Based upon the foregoing, the parties mutually agree and stipulate that the following shall constitute the disciplinary order entered by the Commission in this matter under the authority of §§ 536.060, 621.045.4 and 621.110, RSMo.

25. The terms of discipline shall include license number 2007020851 (Tracey Herigon Real Estate, LLC), and license number 2002011978 (Tracey Ann Herigon), shall be placed on one (1) years'

probation. During the period of probation on Licensees' licenses, Licensees shall be entitled to practice as a real estate association, and broker associate provided they adhere to all the terms stated herein. The period of probation shall constitute the "disciplinary period."

26. The standard terms and conditions of the disciplinary period are as follows:

General Terms and Conditions

- a. Licensees shall keep the MREC apprised at all times in writing of Licensees' current addresses and telephone numbers at each place of residence and business, as well as email addresses, if any. Licensees shall notify the MREC in writing within ten (10) days of any change in this information by completing the Address Change Notification form found on the MREC website.
- b. Licensees shall timely renew Licensees' licenses, timely pay all fees required for license renewal, and comply with all other requirements necessary to maintain Licensees' license in a current and active state. During the disciplinary period, Licensees shall not place Licensees' licenses on inactive status as would otherwise be allowed under 20 CSR 2250-4.050. Alternatively, without violating the terms and conditions of this Settlement Agreement, Licensees may surrender Licensees' real estate licenses by submitting a *Surrender of Real Estate Rights* form to the MREC along with the original licenses and any duplicate copies issued to Licensees. If Licensee Herigon applies for a real estate license after surrender, Licensee Herigon shall be required to requalify as if an original applicant. Licensee Herigon would have to apply as an original applicant. The MREC will not be precluded from

basing its decision, wholly or partially, on the findings of fact, conclusions of law, and discipline set forth in this Settlement Agreement.

c. Licensees shall meet in person with the MREC or its representative at any such time and place as required by the MREC or its designee upon notification from the MREC or its designee. Said meetings will be at the MREC's discretion and may occur periodically during the probation period.

d. Licensees shall immediately submit documents showing compliance with the requirements of this Order to the MREC when requested by the MREC or its designee.

e. During the probationary period, Licensees shall accept and comply with unannounced visits from the MREC's representatives to monitor compliance with the terms and conditions of this Order.

f. Licensees shall comply with all relevant provisions of Chapter 339, RSMo, as amended; all rules and regulations of the MREC; and all local, state, and federal laws. "State" as used herein refers to the State of Missouri and all other states and territories of the United States.

g. Licensees shall report, in writing, to the MREC each occurrence of Licensees being finally adjudicated and found guilty, or entering a plea of guilty or nolo contendere, in a state or federal criminal prosecution, to felony or misdemeanor offenses, within ten business days of each such occurrence.

h. If at any time during the disciplinary period, Licensee Herigon wishes to transfer her license affiliation to a new broker/brokerage, Licensee Herigon must submit a Broker Acknowledgement form signed by the new broker. This acknowledgement is in addition to an other required application, fee, and documentation necessary to transfer Licensee Herigon's license. Licensee Herigon must obtain the Broker Acknowledgement form from the MREC. Licensee Herigon cannot obtain additional real estate licenses without the prior approval of the MREC.

i. The Licensee may not change the status of a license, transfer the license, or apply for any new or additional licenses during the disciplinary period without the prior written consent of the Commission.

27. This Agreement does not bind the Commission or restrict the remedies available to it concerning facts or conduct not specifically mentioned in this Agreement that are either now known to the Commission or may be discovered.



28. This Agreement does not bind the Commission or restrict the remedies available to it concerning any future violations by Licensees of Chapter 339, RSMo, as amended, or the regulations promulgated thereunder, or of the terms of this Agreement.

29. All parties agree to pay all their own fees and expenses incurred as a result of this case, its settlement or any litigation.

30. The parties to this Agreement understand that the Missouri Real Estate Commission will maintain this Agreement as an open record of the Commission as provided in Chapters 339, 610 and 324, RSMo.


31. The terms of this settlement agreement are contractual, legally enforceable, and binding, not merely recital. Except as otherwise provided herein, neither this settlement agreement nor any of its provisions may be changed, waived, discharged, or terminated, except by an instrument in writing signed by the party against whom the enforcement of the change, waiver, discharge, or termination is sought.

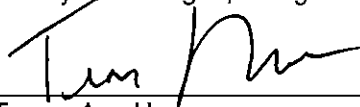
32. Licensees, together with Licensees' heirs and assigns, and Licensees' attorneys, do hereby waive, release, acquit and forever discharge the Commission, its respective members and any of its employees, agents, or attorneys, including any former Commission members, employees, agents, and attorneys, of, or from, any liability, claim, actions, causes of action, fees, costs and expenses, and compensation, including but not limited to, any claims for attorney's fees and expenses, including any claims pursuant to § 536.087, RSMo, or any claim arising under 42 U.S.C. § 1983, which may be based upon, arise out of, or relate to any of the matters raised in this case, its settlement, or from the negotiation or execution of this settlement agreement. The parties acknowledge that this paragraph is severable from the remaining portions of this settlement agreement in that it survives in perpetuity even in the event that any court of law deems this settlement agreement or any portion thereof to be void or unenforceable.

33. If no contested case has been filed against Licensees, Licensees have the right, either at the time the settlement agreement is signed by all parties or within fifteen days thereafter, to submit the agreement to the Administrative Hearing Commission for determination that the facts agreed to by the parties to the settlement agreement constitute grounds for denying or disciplining Licensees. If Licensees desire the Administrative Hearing Commission to review this Agreement, Licensees may submit this request to: **Administrative Hearing Commission, United States Post Office Building, 131 W. High Street, P.O. Box 1557, Jefferson City, Missouri 65102-1557.**

34. If Licensees have requested review, Licensees and the Commission together request that the Administrative Hearing Commission determine whether the facts set forth herein are grounds for disciplining Licensees and issue findings of fact and conclusions of law stating that the facts agreed to by the parties are grounds for disciplining Licensees. Effective the date the Administrative Hearing Commission determines that the agreement sets forth cause for disciplining Licensees, the agreed upon discipline set forth herein shall go into effect. If the Administrative Hearing Commission issues an order stating that the Settlement Agreement does not set forth cause for discipline, then the Commission may proceed to seek discipline against Licensees as allowed by law. If Licensees do not submit the agreement to the Administrative Hearing Commission for determination, the agreement shall become effective fifteen (15) days following the signature of the Commission's Executive Director, unless waived by the Licensee.

LICENSEES

  
Tracey Herigon Real Estate, LLC  
Tracey Ann Herigon, Designated Broker

  
Tracey Ann Herigon

Date 11-3-20

COMMISSION

  
Terry W. Moore  
Executive Director  
Missouri Real Estate Commission

Date Nov. 23, 2020

**MISSOURI REAL ESTATE COMMISSION 15-DAY WAIVER ATTESTATION**

I attest that I affirmatively waive my right to review of the attached Settlement Agreement by the Administrative Hearing Commission pursuant to section 621.045, RSMo.

I attest that I understand that the Settlement Agreement to become effective upon the date the Missouri Real Commission's Executive Director signs the Settlement Agreement.

Tracey Herigoni  
Printed Name

Tom Dun  
Signature

11-3-20  
Date